

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0655-02
Bill No.: HB 139
Subject: Education, Elementary and Secondary; Administration, Office of
Type: Original
Date: January 19, 2011

Bill Summary: Requires school districts and local government financial information to be included on the Missouri Accountability Portal.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
General Revenue	(\$1,062,900)	(\$180,746)	(\$66,166)
Total Estimated Net Effect on General Revenue Fund	(\$1,062,900)	(\$180,746)	(\$66,166)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 8 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
Total Estimated Net Effect on FTE	0	0	0

☐ Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).

☐ Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
Local Government	(Unknown)	(Unknown)	(Unknown)

FISCAL ANALYSIS

ASSUMPTION

Officials at the **Office of Administration's Information Technology Services Division (OA-ITSD)** assume equipment and expenses costs of \$572,900 in FY 12 and \$114,580 costs in FY 13 for the development of the programs and the purchase of equipment needed. Additionally, OA-ITSD assume yearly personnel costs of \$14,309 in FY 13 and \$14,452 in FY 14 for the review of the yearly uploading of data. These estimates of cost include the following assumptions:

1. The estimate does not include any of the costs that Missouri counties or school districts may be asked to bear.
2. The estimate includes the cost associated with staffing the project with a Missouri Certified Project Manager throughout its duration.
3. The estimate includes costs associated with appointing a coordinator for four months during the initial implementation and two months each ongoing reporting cycle. The coordinator will distribute information to the counties and respond to any queries. The coordinator will also check the validity of authorized users via mail, email, or telephone calls, troubleshoot reporting or file transfer issues, perform balancing activities to ensure all data loads correctly, and test data files as needed.
4. The estimate includes costs associated with developing an online instruction manual and templates for reporting.
5. The estimate includes the cost associated with developing a secure login site for counties.
6. To enable county reporting, a file submission site will be created. An edit job will run to validate the entries before accepting the data and send an email if errors are found. The secure site will also display current status of their reports.
7. The estimate includes costs associated with the development of the two new paths within MAP - Education and Counties.
8. It is assumed that DESE will collect all data from the school districts. OA will work with DESE to establish a file transfer process.
9. The estimate assumes that DESE will not host the data on their site. A new path will be added to MAP titled 'Education'. Within that path it is assumed that choices will be given to

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ASSUMPTION (continued)

view Employee, Budget, and Salary Schedule/Statistics. Within each of those sections, drilldowns similar to the other MAP paths such as Search by Employee, School District, and one other choice such as position title will be in the design.

Each path would provide search and sorting capabilities similar to existing MAP pages. Current MAP paths such as Expenditures and Employees salaries required between 20-25 web pages each. It is anticipated that each of the three sections will require approximately the same number resulting in an additional 60-75 pages. Estimates have been based on the development of 75 pages. All data made available on the new pages would be downloadable in text or MS Excel format on each web page and on the MAP Data Download page.

10. The estimate includes development costs to add a new path to MAP titled 'Counties'. This path will have the same requirements listed in 9, above. It is estimated that this will result in an additional 60-75 pages. Estimates have been based on the development of 75 pages.

11. Time and staff resource estimates are based on time expended to develop the original paths within MAP.

Oversight assumes the personnel costs can be absorbed by OA-ITSD with existing resources.

Officials at the **Department of Elementary and Secondary Education (DESE)** assume in order to complete the tasks; specifically the collection and storage of local school board or public charter school policies, salary schedules, and budgets; it is estimated the cost for work done would be between \$440,000 and \$490,000 the initial year. Ongoing cost is estimated at \$49,000 per year for software and hardware plus \$17,166 for maintenance and support, for a total of \$66,166. In addition, there will be a cost to the school districts which is unknown at this time.

Oversight has for the purpose of this fiscal note shown the \$490,000 in FY 12 as the maximum cost of equipment and expenses.

Officials at the **Cass County** and **Parkway School District** assume that there is no fiscal impact from this proposal.

Officials at the **Blue Springs School District** and the **Independence School District** assume it would cost approximately \$40,000-\$45,000 as the district would need to hire a full time employee to meet all of these requirements.

ASSUMPTION (continued)

Officials at the **Fair Grove R-X School District** assume added secretarial expenses. The District states that they already include all of their information on the DESE website that is available to the public.

Officials at the **Platte County** assume the cost is unknown as they do not know what format will be required to submit the information.

Officials at the **Special School District** assume the impact is unknown as it will require staff time to prepare the information and programming costs to configure the data may be necessary.

Officials at the **St. Louis County** assume all of the information referenced in this proposed legislation is currently available. The potential exists for the County to incur costs or employee time to organize the data in a specific format prescribed by the State; however those costs, if any, are anticipated to be minor.

Officials at the **St. Louis Public Schools** assume a minimal impact. However, depending on the prescribed format of the various data, the initial year may be a burden for those providing the information.

Officials at the **Boone County** state depending on what OA develops as the "clear standards for budget format and detail", supplying the budget information could take anywhere from a few hours to several days. Assuming one Accountant and one Programmer, cost of staff time would be \$250 (one-half day) - \$2,500 (5 days). Note: All school districts in the state of MO use the same chart of accounts for accounting and reporting. These standards are established by DESE. This is not the case for Counties: every county has it's own unique chart of accounts and fund/dept hierarchy. So, Boone County could end up re-formatting budget data to conform to the state's specifications. The county does not know how costly it would be to provide the compensation/benefit information.

Oversight assumes the cost to the school districts and counties is unknown as it will depend on the format that Office of Administration- ITSD will accept.

Officials at the following schools: Branson Public Schools, Columbia Public Schools, Fancis Howell Public Schools, Jefferson City Public Schools, Kansas City Public School Board, Kirksville Public Schools, Lee Summit Public Schools, Mehlville Public Schools, Mexico Public Schools, Nixa Public Schools, Sedalia School District, Sikeston Public Schools, Silex Public Schools, St Joseph School District, St. Charles Public Schools, and Sullivan Public Schools did

ASSUMPTION (continued)

not respond to **Oversight's** request for fiscal impact.

Officials at the following counties: Andrew, Barry, Bates, Buchanan, Butler, Callaway, Camden, Cape Girardeau, Carroll, Clay, Cole, Cooper, DeKalb, Franklin, Greene, Hickory, Holt, Jackson, Jasper, Jefferson, Johnson, Knox, Laclede, Lafayette, Lawrence, Lincoln, Marion, Miller, Moniteau, Monroe, Montgomery, New Madrid, Nodaway, Ozark, Pemiscot, Perry, Phelps, Pulaski, Scott, St. Charles, St. Francois, Taney, Texas, Warren, and Webster did not respond to **Oversight's** request for fiscal impact.

<u>FISCAL IMPACT - State Government</u>	FY 2012 (10 Mo.)	FY 2013	FY 2014
GENERAL REVENUE			
<u>Cost - Dept. of Elementary & Secondary Equipment and Expenses</u>	(\$490,000)	(\$66,166)	(\$66,166)
<u>Cost - OA-ITSD Equipment and Expenses</u>	(\$572,900)	(\$114,580)	\$0
ESTIMATED NET EFFECT ON GENERAL REVENUE	<u>(\$1,062,900)</u>	<u>(\$180,746)</u>	<u>(\$66,166)</u>
<u>FISCAL IMPACT - Local Government</u>	FY 2012 (10 Mo.)	FY 2013	FY 2014
LOCAL SCHOOL DISTRICTS			
<u>Cost - local school districts</u>	(Unknown)	(Unknown)	(Unknown)
ESTIMATED NET EFFECT ON LOCAL SCHOOL DISTRICTS	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
COUNTY FUNDS			
<u>Cost - county funds</u>	(Unknown)	(Unknown)	(Unknown)
ESTIMATED NET EFFECT ON COUNTY FUNDS	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>

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FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

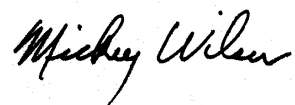
FISCAL DESCRIPTION

This bill requires the Office of Administration to maintain public school and county government accountability information on the Missouri Accountability Portal. The Department of Elementary and Secondary Education must collect and submit certain financial and policy information to the Office of Administration for inclusion. School districts and charter schools must annually provide detailed employee compensation data, the school calendar, the district budget, and school policies to the department in a commonly used electronic format as specified by the department. County governmental entities must collect and annually transmit to the Office of Administration for inclusion on the portal detailed compensation information and the county budget according to standards established by the office.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Blue Springs School District
Boone County
Cass County
Department of Elementary and Secondary Education
Fair Grove R-X School District
Independence School District
Office of Administration's Information Technology Service Division
Parkway School District
Platte County
Special School District
St. Louis County
St. Louis Public Schools



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